



County of Los Angeles
Department of Public Social Services

Bryce Yokomizo
Director

June 20, 2002

TO: Each Supervisor

FROM: Bryce Yokomizo, Director

Jon W. Fullinwider, Chief Information Officer

SUBJECT: **LEADER SYSTEM STATUS REPORT - (SYNOPSIS NO. 79 MINUTES
JANUARY 29, 2002)**

Your Board instructed the Department of Public Social Services to work in concert with the Chief Information Officer to provide reports to your Board every thirty days on several aspects of the LEADER System's maintenance and programming needs.

The LEADER System is functioning well. The vast majority of our participants are receiving their benefits on time and in the correct amount. LEADER supports over 11,000 staff who create five to six million transactions each day. Over ninety-eight percent (98%) of these transactions are completed in less than three seconds. System caused interruptions in availability have been infrequent and generally of short duration.

In order to provide a thorough response, DPSS and the CIO have worked closely together to develop a comprehensive plan to strengthen LEADER functionality and operations and to address the areas specified in your Board's order. Our plan is divided into three areas: technical, communication and management. Future monthly reports will discuss our progress within the areas described below.

TECHNICAL

This area includes both the hardware components that operate the LEADER System and the functionality of the software that comprises the application. Our plan focuses on software changes as the hardware is functioning satisfactorily.

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There are three categories of LEADER software changes:

- **Major Application Modifications:** These major regulatory changes require a contract amendment with Unisys Corporation (Unisys) to make the necessary changes to LEADER. The Governor's May Revise Budget includes funding for some of these changes and DPSS has requested funding for other changes in FY 2003-04. These changes are identified in Attachment Number 1.
- **Minor Application Modifications:** For these changes, LEADER is operating in accordance with the specifications provided to Unisys but the regulations changed or DPSS changed business processes. The LEADER Agreement with Unisys includes programming hours to make minor changes of this nature.
- **Application Errors:** These errors occur when LEADER does not operate in compliance with the specifications. Unisys is contractually obligated to correct these errors at no cost to the County. This category includes those items that were listed as not being in substantial compliance with the specifications identified in the Substantial Compliance Report we provided to your Board on August 22, 2001. Of the sixty-one items reported in August 2001, approximately 33% have been completed.

These changes range in priority from critical, which require immediate attention, to low priority. Low priority items are those that either do not impact the administration of welfare and delivery of benefits or have extremely limited impact. Of course, immediate attention is given to any problem that may impair delivery of benefits.

Minor application modifications and error corrections in various stages of implementation, are generally identified through the trouble ticket process where DPSS staff identify and report problems they encounter when using LEADER.

We are conducting a comprehensive review of existing minor application modifications, applications errors, substantial compliance items and trouble tickets. Starting with our July report, we will provide you with a monthly status report as described below:

- First, we will quantify progress in resolving minor application modifications, applications errors, and substantial compliance items. We will report on the current number outstanding, the number newly identified, and the number resolved.
- Second, we will report on current trouble tickets including number on hand, number received and number resolved during the report period and the status of any backlogs.

COMMUNICATION

We conducted a comprehensive review to determine areas where communication with our staff can improve their use of LEADER. We reviewed trouble tickets to determine which were caused by a lack of understanding of the system. We conducted meetings with staff, managers and union representatives.

Based on these reviews and meetings, it is apparent that many issues with LEADER are the result of a lack of knowledge rather than problems related to software. As a result, we have implemented the following activities to improve training, communication, and availability of information:

- We formed a local LEADER User Group in every district office. These groups, which meet monthly, allow staff to share information on LEADER within the office and with LEADER staff who attend meetings.
- We formed a central LEADER User Group with one representative from each district office user group, as well as representatives from LEADER, DPSS program, and other administrative sections. This group discusses issues of a common nature and makes plans for activities to support the district LEADER User Groups. Having guest experts make presentations at each meeting enhances staff knowledge. Priority questions are identified and answered in newsletters.
- We initiated LEADER training clinics to train district office staff on areas of LEADER functionality. The initial training focuses on those areas that are most likely to assist with improving Food Stamp quality.
- Over the past several months, we have met with various community advocates to discuss their concerns about the LEADER System. Each of the issues and recommendations presented was discussed. Some issues were immediately addressed, some were determined not to be LEADER related, and others will require further research and discussion. It was jointly agreed that we would continue to meet quarterly to maintain an open dialogue in finding solutions to their concerns.

In addition, the following activities are under development:

- Working cooperatively with Unisys, we are developing a LEADER intranet web site that will be available to all LEADER users. This web site will include information for staff on known problems, interim resolutions, projected correction

dates, trouble ticket status and other areas of general information pertaining to LEADER. Unisys has agreed to work with DPSS to pilot and implement a web environment within LEADER at no increase in LEADER contract costs.

- LEADER has the capability to make welfare rules and regulations electronically available to all staff. DPSS has formed a task force to convert existing LEADER instructions into an electronic format that will be available to all users through the LEADER workstation.

MANAGEMENT

To address the management of the LEADER system, DPSS is taking a comprehensive approach to ensure all contributing factors required to improve the LEADER system are undertaken. The DPSS LEADER Division is in transition from a pure system development operation to a multi-functional organization that handles both development of new system changes based on regulations; and, at the same time, provides support jointly with Unisys to ensure the successful on-going maintenance and operations of the LEADER system. As part of this transition, it is necessary to refocus and expand management attention to cover the complete spectrum of change and maintenance activities. The areas of expansion include: improved user communications; improved documentation of system problems; and, resolutions and development of a long-term infrastructure. Attachment 2 is an outline of specific areas of management attention, planning, and actions to address the expanded activities as a result of the transition.

The following are highlights of some of the activities already underway.

- To improve user communications, an infrastructure has been established to support both local and central LEADER user groups.
- The trouble ticket system is being reviewed to be more responsive to users in documenting and resolving system problems, and to provide improved management tracking. Related activities include a complete analysis of the trouble ticket backlog with management recommendations for improvement and disposition.
- We are continuing to work with State agencies for adequate funding to fully support the activities required by regulatory changes. State funding is key to timely completion of system changes.
- Additionally, we are reviewing the resources of the DPSS LEADER Division to ensure that it can adequately support on-going LEADER operations and the

initiatives contained in this report, including the major application changes outlined in Attachment Number 1.

The LEADER Division will continue to work closely with Unisys, the CIO and the Information Systems Commission to ensure that the best possible alternatives are explored as an on-going effort to improve the support and functionality of the LEADER system.

ASSESSMENT OF PRESENT AND FUTURE FINANCIAL LIABILITIES

Your Board requested a comprehensive assessment of present and future financial liabilities and/or penalties related to LEADER System changes. That report, entitled Management Issues, is provided as Attachment Number 3.

BY/JWF:pcr

Attachments (3)

c: Chief Administrative Officer
County Counsel
Executive Officer, Clerk of the Board

ONE-TIME MAJOR LEADER APPLICATION MODIFICATIONS

FISCAL YEAR 2002-2003
Electronic Benefit Transfer (EBT) Development Costs

This modification is funded in the Governor's January Budget and does not require an IAPDU on the part of Los Angeles County. LEADER Agreement Amendment Number Five has been negotiated with Unisys.

FISCAL YEAR 2002-2003
Section 1931 (b) Medi-Cal
Aged and Adult Medi-Cal
Threshold Languages (Preparatory Work)
Medi-Cal Mail-In Application Processing
Continuous Medi-Cal Eligibility for Children (CEC)

Requested in the December 2001 Implementation Advance Planning Document Update (IAPDU) submitted to the State. These items are funded in the Governor's May Revised Budget. LEADER Agreement Amendment Number Six is being negotiated with Unisys.

FISCAL YEAR 2003-2004
Threshold Languages (Ongoing)
Welfare Fraud Linkage Analysis Database System (WFLADS) Interface
Food Stamp Employment & Training (FSET) Interface
Two-parent Family Aid Codes
250% Working Disabled Medi-Cal Program
One-Month Medi-Cal Bridging Program
Qualified Medicare Beneficiary Medi-Cal Program
Former Foster Care Children (FFCC) Medi-Cal
Health-e-App Interface
Electronic Benefit Transfer (EBT) Ongoing Costs
Direct Deposit
CalWORKs Diversion Changes
Screen Image Change for Laptops
Additional Modifications and Enhancements Hours

Requested in the June 2002 IAPDU submitted to the State. A LEADER Agreement amendment is required.

LEADER Plan Outline

Attachment 2

ISSUE	SOLUTION	OUTCOMES	START	END	COMMENTS
Backlog of Trouble Tickets	Implement Trouble Ticket backlog clean up plan.	Reduced Backlog - Substantiated problems will be added to the change work plan.	4/30/02	9/15/02	Technical training for County analysts included.
Trouble Tickets caused by worker lack of system understanding.	Increased training (LEADER Clinics) and information sharing (Central and Local User Groups)	Increased User system understanding; reduction in Trouble Tickets.	3/1/02 3/1/02 4/2/02	8/1/02 Cont Cont	Expanded LEADER training Local user groups Central user group
Multiple change request and problem reporting mechanisms (e.g., Trouble Tickets, Policy/ procedure Change Requests, Major Modifications, User Groups)	Integrated LEADER change plan and formation of a Priority Committee	Integrated LEADER change plan and schedule.	4/1/02 5/1/02	Cont 9/30/02	Schedule will include results of Trouble Ticket backlog effort. Priority Committee still in planning phase
Outstanding Warranty Items	Complete review with Unisys and formalize work plan.	Resolution of outstanding warranty items.	3/1/02	5/15/02	Work may be done with other changes to the same area.
Technical Infrastructure change requests exceed resources. 1. High number of Infrastructure change requests (add, move, deletes) 2. Cost of infrastructure changes exceed planned amounts.	Improve LEADER Infrastructure change alternatives. 1. Develop long range Infrastructure management plan. 2. Identify funding and procurement alternatives.	Division-wide guidelines and long term plan for LEADER infrastructure.	5/01/02 5/15/02	Cont 8/30/02	Contract amendment to increase discretionary funds under analysis.
Prolonged system change time frames: 1. Resource intensive problem analysis process. 2. Backlog of resolved trouble tickets that are not closed. 3. Insufficient funding	Improve Change Management plan 1. Joint County and Vendor process improvement. 2. Joint LEADER and Line Ops process improvement. 3. Secure sufficient funding to maintain the application.	Improved problem resolution / change time frames. 1. Reduction in problem to programmer time frames. 2. Timely closure of resolved trouble tickets. 3. Sufficient funding to make system changes timely.	4/30/02 4/30/02 3/1/02	9/15/02 9/15/02 Cont	Application software change consultant procured. 1. Process review is part of Trouble ticket plan. 2. Process review is part of Trouble Ticket plan. 3. IAPDU and funding alternatives in process.
Lack of system credibility with users and stakeholders. 1. New release problems 2. Perceived lack of progress. 3. Insufficient funding plan for post-development activities.	Improve Regression testing and communication plan 1. Expand regression testing 2. Improved Communication (Education activities, FAQs, and communication tools including possible Web site.) 3. Develop LEADER application maintenance/ modification and funding strategic plan.	Improved credibility and vendor quality assurance. 1. Reduction in new release problems. 2. Improved user confidence in the system and change process. 3. Long -term strategic plan to support County decision-making, vendor negotiations and to increase credibility.	3/7/02 4/15/02 4/30/02	Cont Cont Cont	Communication plan under review. 1. Regression test consultant has been procured. 2. LEADER Web site feasibility study planned. 3. IAPDU and State funding discussions are part of this effort.
Any increased costs due to Hardware Upgrades/Technical impact of Application Changes will exceed available resources.	Develop strategic plan to address this issue; Identify cost containment and funding alternatives.	Strategic plan to control and plan for increased FMO or other technology related costs during the remainder of the vendor contract period.	4/30/02	9/15/02	Technical White Paper provided by Unisys.

MANAGEMENT ISSUES

Program	Issue	Status	Resolution
All	Potential for action by advocates or unions for regulatory and statutory changes or corrections not programmed into LEADER.	See Attachment Number 1.	Continuing dialog with State and federal agency representatives to increase lead time and funding for implementations.
All	Failure to have Notices of Action in all threshold languages.	A complaint has been filed with HHR-Office of Civil Rights (OCR). Agreement with OCR is being negotiated.	State Funding requested for first phase of implementing threshold languages in Fiscal Year (FY) 02/03. The request for FY 03/04 has also been submitted. (See Attachment Number 1.)
Food Stamps	Federal imposition of Quality Assurance sanctions for excessive Food Stamp error rate.	Projected sanction amount for FY 2001 is being evaluated.	A comprehensive error-reduction effort is being made throughout the Department, which includes additional LEADER training, changes and improved workflow.
CalWORKs / Food Stamps	Need for interface with Treasurer & Tax Collector (TTC) for collection of overpayment / overissuance balances on terminated CalWORKs and Food Stamp cases.	The potential impact is a long-term reduction in collection of overpayments.	DPSS is developing additional procedures to capture and forward information to the TTC.
All	The system is at the contract maximum number of workstations. Changes to the LEADER System or other the infrastructure (network expansion) will require a re-evaluation of the current Facilities Management and Operations (FMO) rates.	Potential impact: Increased charges for on-going system maintenance and monitoring if system is expanded.	Additional changes will require State funding and review prior to approval.